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## TOBACCO MARKETING QUOTAS

The purpose of marketing quotas on tobacco -- as stated by the Congress in the legislation providing for quotas -- is to enable farmers who cannot do so individually, to work together to maintain supplies in line with demand.

The Agricultural Adjustment Act of 1938 is not intended to raise revenue. We have income taxes, taxes on cigarettes, and other methods to provide revenue. The penalty on the marketing of excess tobacco is not designed to raise money to defray the expenses of the Government, but rather to discourage the marketing of excess tobacco. The penalties the Act provides for filing false acreage reports and for falsely identifying or failing to account for the disposition of tobacco are intended to prevent the uses of these practices to avoid the payment of the penalty due on the marketing of excess tobacco. As you know, the penalty was recently increased as a further deterrent.

The Act and the Secretary's regulations give us very broad authority to assess penalties -- both in terms of money and in allotment reductions. At times, we are the prosecutor, the judge, and the jury. It behooves us to use this authority in a judicious manner. We need to guard our attitude and thinking -- and our conversation -- very carefully. Our efforts should always be aimed toward obtaining compliance with the Act that we are attempting to administer, through solicited cooperation and education of those who may be involved.

If any money is due the Government, we want to collect it. But let's be sure it is due. Under our system of Government, everyone is innocent until proven guilty. Therefore, it is essential that we be absolutely sure of our ground. We shouldn't attempt to collect penalty on suspicion. Get the facts -- be sure you have the facts -- not suspicion -- and then proceed in a business-

like way -- without threat or intimidation. Get the idea across that if the farmer (or pinhooker, etc.) has violated the law, you are there to help him correct the error and get it cleared up. Above all, do everything you can to keep all conversations on a friendly basis. Once you have established and documented the facts then you should move with certainty and without delay to assess the proper penalty.

More than 95 percent of the tobacco growers in Kentucky show by their votes that they are in favor of the marketing quota program. Most of those who are opposed to the program go along with it because it is the will of the majority and the law of the land. We owe it to this vast majority to see that the small minority who adopt some scheme or device to evade the Act and regulations are penalized for their misdeeds. Over the years, the Act has proven generally to be adequate to bring violators into line. However, we must expect to lose sometimes. The press reported recently that there are a couple of unsolved kidnappings, but all agree that J. Edgar Hoover and his boys usually get their man. We must not let down if a case goes against us. Analyze the case and profit by the loss in building the next case.

But let's always remember that everyone is innocent until proven guilty. It takes facts -- to prove guilt. When guilt can be proven, efforts should be made to obtain compliance with the Act and the regulations. Be friendly. It might be well for us to remember what a New York Federal Judge said a few years ago: "What this Government needs is less prosecution and a little more education of its people." Make a cooperator out of the person so that you won't have to be checking on him again the following year.

Tobacco Division, CSS  
Agri-Wash  
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